

**City of South Bend**  
**Administration & Finance Policy Manual**



## **2.7 Travel Policy**

**Effective: October 1, 2011**

**Purpose:** This policy defines the travel policy applicable to all city employees and all City Departments and Bureaus, for use when travelling on authorized city business. The purpose of this policy is to, 1) define the policy and procedures pertaining to travel, 2) provide a uniform basis for determining when expenses are reasonable and proper, 3) describe the types of expenses that are and are not reimbursable by the city, and 4) inform employees and expense report approvers of their responsibilities relative to reporting and controlling travel expense.

**Scope:** This statement applies to all governmental units, enterprise operations, and operations of the City of South Bend.

**Responsibility:** This policy is the responsibility of the Controller of the City of South Bend. Changes or revisions to this policy are affected only with the consent and approval of the Controller.

**Effective Date:** This policy is effective October 1, 2011.

---

### **1.0 Policy Statement**

The City of South Bend will establish a uniform travel policy, applicable to all city employees and all City Departments and Bureaus, for use when travelling on authorized city business. This policy defines pre-travel approvals and authorization to travel, travel expenditure guidelines, travel expense reporting, and submission and approval of expense report.

Each employee is responsible for adhering to the policy and guidelines defined herein when incurring expenses on behalf of the city. Those authorized to approve travel expense reports are responsible for being familiar with the need for the expenses and are to be satisfied that the expenses are appropriate as reported and in line with this policy.

This document contains general guidelines for handling travel expenses encountered in normal city business situations, and is not intended to describe every situation.

Each employee will conduct the city's business with integrity, in compliance with applicable laws, and in a manner that excludes personal gain. Employees will be reimbursed for all expenses incurred that are deemed to be necessary and actually incurred when travelling on authorized city business.

The city's intent is that the traveler should neither lose nor gain financially as a result of city travel.

Questions or requests for clarification to this policy should be addressed to the Controller.

**City of South Bend**  
**Administration & Finance Policy Manual**

**2.0 Travel Recognition Statement**

The city recognizes that requests by City Department Heads and City Management for employees to travel on city business may impose certain personal inconveniences for the employee(s), however, by virtue of the request to travel, the city has determined that the travel is necessary to conduct and / or promote business of the City of South Bend.

**3.0 Approval to Travel**

Day trip travel requires the approval of the Department Head. Overnight travel must be approved by the Department Head and the Controller.

Form Travel 1-A, is the request for travel document. This document requires pre-travel execution with required approvals and is required to be submitted with the employee travel expense report.

**4.0 Travel Status**

An employee is considered to be on travel status from the time of departure from either residence or place of employment (permanent site), whichever occurs last, and continues on such status until the time of return to the residence or place of employment (permanent site), whichever occurs first.

**5.0 Funding of Travel Expense**

**5.1 Temporary Cash Advance**

A temporary cash advance may be provided to cover cash travel expense of an employee on temporary travel status, usually a specific trip. If a cash advance is provided, the employee shall be responsible for safeguarding the funds advanced. The amount of the cash advance should be consistent with anticipated cash requirements during the travel. Requests for a cash travel advance, requires Department Head and Controller approval. Requests are to be submitted using Form Travel 1-B, Request for Travel Advance.

Travel advances issued to employees, and unsettled through submission of a travel expense report, are per Internal Revenue Service regulation, subject to W-2 earnings inclusion as taxable income to the employee, and may be subject to payroll deduction for settlement, at the discretion of the City.

**5.2 Prepaid Items**

Payment of pre-event fees, deposits for seminars and conferences, and the purchase of airline tickets are advances that must be accounted for by the employee on the travel expense report.

**6.0 Travel Expenditure Guidelines**

**6.1 Transportation.** Employees may be required to travel via air transportation or ground transportation, including rail transport, city vehicle, personal vehicle, or other means.

**6.2 Air Transportation.** All city employees will travel via Coach / Economy Class for Domestic travel within the Continental United States, including Alaska, Hawaii, Canada, Caribbean, and Mexico. Overseas travel will be handled on a case-by-case basis.

**City of South Bend**  
**Administration & Finance Policy Manual**

All air travel requires Travel Form 1A to be approved prior to booking/reserving a ticket. Air travel may be booked through either Travelmore (the travel agency used by the City), or direct with the airline company. Air travel tickets booked directly with the airline company are to be paid by the traveler's personal credit card, which is subject to the reimbursement outlined in this Policy. Or, the Department's Credit Card may be used for booking airline travel. In either case, an approved copy of the Travel Form 1A must accompany any reimbursement or payment request.

Employees should schedule air travel to secure the most affordable and efficient means of air transportation, taking into account, layover time, weekend travel, additional, hotel and other expense, airfare savings, etc.

- 6.3 Ground Transportation. Ground transportation is the desired means of transportation for in-state and near-state destinations. Use of city vehicles is the desired means of transportation. Use of City vehicles for transportation should be coordinated with the Department Head and Central Services.

Personal vehicles may be used for in-state and near-state travel destinations when city vehicles are unavailable for use.

Use of a personal vehicle for city business travel will be reimbursed at the mileage rate as defined by the Internal Revenue Service. Public liability and property damage coverage for personal cars must be maintained at the statutory requirements in the state of registration. In the case of an accident and subsequent claim, the coverage provided by the employee's personal insurance will apply first before any city reimbursement is considered. In the event of an accident claim, the city assumes no responsibility for damage to the employee's vehicle, or for liability claims for any injury incurred.

The deductible portion of collision damage not covered by personal insurance may be reimbursable provided that the City Risk Management Department is notified promptly and is furnished with the following documentation:

- 1) written statement that the vehicle was driven on city business,
- 2) police reports indicating accident responsible party,
- 3) approval of the Department Head to pay the deductible portion based upon specific circumstances,
- 4) receipted invoices supporting proof of payment for damages.

Expenses for mechanical malfunction of a personal vehicle used for city business are considered the employees responsibility and are not reimbursable.

Rental Vehicle. Use of a rental vehicle must have advance approval of the Department Head and the Controller.

Traffic Violations incurred by city employees on ground transportation travel, are not reimbursable.

Employees must promptly report all accidents while traveling on city business, whether in use of a city, rental or personal vehicle, to the appropriate state and local authorities and the City Risk Management Department.

Rail transport and bus service may be used by employees when cost and time factors are favorable for city business.

**City of South Bend**  
**Administration & Finance Policy Manual**

**6.4 Lodging.**

Employees are expected to patronize reasonably priced hotels/motels which provide comfortable living quarters in the proximity of the work location visited to minimize the cost of ground transportation during travel. It is not required that employees share room accommodations when more than one employee travel to the same destination.

When attending conferences or seminars, it is recommended that the employee reside in the host hotel, or in a hotel recommended by the attending conference, within per diem rates as discussed in paragraph 7.0.

**6.5 Meals and Incidental Expense**

The actual amount spent must be reasonable in relation to the locale visited. Meals are reimbursable if the employee is away from home overnight. Meals while traveling off site for a day, without overnight accommodation, are normally not reimbursable. However, if the travel time exceeds ten (10) hours, the employee is eligible for one city-paid meal.

Incidental expense includes such items as fees and tips given to porters, baggage carriers, bellhops, and transportation expense between places of lodging and business site visited and places where meals are taken.

**6.6 Miscellaneous Expense**

All necessary business calls and messages while travelling are reimbursable. Personal telephone calls to family members, from the hotel of residence are reimbursable.

Expense incurred for internet connectivity to access city e-mail when traveling is reimbursable.

Laundry and valet service are reimbursable if the employee is away from home location on business for more than three (3) consecutive days.

All miscellaneous expense incurred must be deemed to be of reasonable amount for the length of the travel period. Miscellaneous expense deemed to be excessive will not be reimbursed to the employee.

**7.0 Per Diem Rates**

The city will use the U.S. General Service Administration Per Diem Rates as the guideline for expense allowance level authorized for lodging (excluding taxes), meals and incidental expense. The per diem rates will set the maximum level of expenditure authorized for these categories of expense.

The per diem rate can be accessed from the US GSA web site, link as follows:

[www.gsa.gov/perdiem](http://www.gsa.gov/perdiem)

The current GSA per diem rate schedule applicable to travel destinations within the State of Indiana can also be found on the City of South Bend Intra-Net Web Site. Intra-Net location at:

[www.southbend.in.gov/sbend](http://www.southbend.in.gov/sbend)

GSA per diem rates for travel destinations outside of the State of Indiana are available through the web link to the US GSA provided above.

**City of South Bend**  
**Administration & Finance Policy Manual**

A copy of the per diem rate schedule for the location visited where expense is incurred is required to be attached to the Travel Expense Report submitted by the employee.

If the city of travel destination does not appear on the GSA per diem rate schedule, then the standard GSA convention of use of the standard CONUS (Continental United States) per diem rate will apply.

Travel expense reports will not be processed without attachment of the travel destination per diem rate schedule.

**8.0 Travel Expense Reporting and Support of Expenses**

Form Travel 1-C, Travel Expense Report, is the authorized form to be used by the employee for proper reporting of travel costs and potentially for reimbursement of out of pocket cash expense incurred and settlement of any cash travel advance that may have been issued to the employee.

- 8.1 It is the responsibility of the employee to promptly account for travel expense incurred through the prompt submission of a Travel Expense Report, assumed to be within two (2) weeks after completion of the travel.

- 8.2 It is the responsibility of the employee to secure the required Department approvals prior to submission of the travel report to Administration & Finance – Accounts Payable.

All travel expense reports must be signed off by the Department Head and the appropriate Fiscal Officer, acknowledging Department approval of the expenses incurred and the accounting thereof.

- 8.3 It is the responsibility of the employee to accurately account for all expense incurred and to provide all required supporting receipts and documentation verifying expenses incurred.

- 8.4 The employee is required to submit receipts for all individual expense items incurred exceeding \$5.00. Failure to submit original receipts may result in a delay in processing the expense report and may result in the denial of reimbursement of the expense item incurred.

An itemized hotel bill is required to support those lodging, meals and other expense incurred at the hotel of stay.

Itemized receipts are required to support expenses for meals and miscellaneous expense. Credit card statements are not acceptable as a receipt for travel expense incurred.

Generic receipts are not acceptable for justification of any expense item submitted for reimbursement.

- 8.5 Employee settlement of any cash travel advance issued to the employee will be affected with submission and processing by Accounts Payable of the expense report. Funds due to the City shall be by made by the employee attached a personal check (payable to the City of South Bend) to the expense report. Cash settlement will not be accepted.

**9.0 Other Matters**

**City of South Bend**  
**Administration & Finance Policy Manual**

9.1 Spousal Travel

Generally, business expenses of the City are confined to those expenses of the employee; spouses should not travel at city expense except when their presence is required for a specific city business purpose.

Prior written approval must be obtained from the Office of the Mayor for spousal travel at city expense. The employee must attach a copy of the approval document to the travel expense report.

9.2 Combined Business and Vacation Travel

Occasionally, while on a city business trip, a traveler may desire to combine some personal travel. This is permissible provided:

1. prior written approval is secured from the Department Head,
2. the primary purpose of the travel is business,
3. no extra expense to the city is involved, and
4. personal travel does not interfere with the city business objectives.

The Department Head approval document is to be submitted with the travel expense report. A written itinerary, prepared by the employee, identifying the end of city business and the beginning of personal travel, is required to be submitted with the travel expense report.

It is the responsibility of the employee to accurately account for expenses incurred to insure that no city funds are expended for personal benefit.

9.3 Overseas or Out of Country Travel

Any employee required to travel overseas or out of country for any purpose or reason, must secure written approval from the Office of the Mayor. The appropriate Department Head, Mayor and Controller will define the specifics of expense allowances authorized for this travel on a case by case basis.

9.4 Travel in Connection with a State or Federal Program

Employees may from time to time travel to conferences, seminars, training programs, or organizational meetings in connection with a State of Indiana, U.S. Government or an organizational unit that may offer upfront payment or reimbursement of travel expense.

Reporting of travel expense for any of these types of situations will be handled on a case by case basis to be discussed in advance between the appropriate Fiscal Officer and the Controller. This discussion will define how the specific travel expense will be reported; it will be documented by the fiscal officer, provided to the employee, and submitted with the travel expense report.

9.5 Employee Conduct when travelling on City Business

When travelling on city business, each employee is expected to conduct business and to behave both professionally and personally in a moral, ethical and lawful manner, as a representative of the City of South Bend.

Behavior in a manner not supportive of these standards is a violation of policy and may subject the employee to reprimand, suspension, and potentially termination of employment.

**City of South Bend**  
**Administration & Finance Policy Manual**

Employees travelling on city business, using a leased or rental vehicle at city expense, a city owned vehicle, or an employees personal vehicle, and incurring an accident or traffic violation while under the influence of alcohol or substances, as determined by the proper law authorities, is in violation of city policy, and may subject the employee to denial of liability insurance coverage, reprimand, suspension, and potentially termination of employment.

**10.0 List of Items Non-reimbursable as Travel Expense**

There are certain expenses that are not considered by the city to be travel-related, and are therefore not reimbursable under this policy. The following is not all inclusive, but is intended to serve as a guide to traveling employees:

1. credit card dues (except city-sponsored charge cards),
2. personal entertainment expense (e.g. in-room or theater movies, athletic events, newspapers, books, etc.),
3. personal expense for spouse or family travel,
4. fines or penalties for parking and traffic violations,
5. loss or damage to an employee's personal vehicle or property while on personal business,
6. loss or damage to a rental vehicle during personal use,
7. in-flight beverages, meals and headset rental,
8. travel / trip life insurance charges,
9. items that normally require a purchase order,
10. liability insurance on domestic rental vehicles,
11. personal medical expenses, personal toiletries and grooming,
12. alcoholic beverages,

**11.0 Policy Questions**

Questions or matters of clarification concerning any statements or definitions as contained in the policy document should be directed to the Office of the Controller.